DEPARTMENT OF COMMERCE

Foreign-Trade Zones Board

Foreign-Trade Zone 132—Coos Bay, Oregon Site Renumbering Notice

Foreign-Trade Zone 132 was approved by the Foreign-Trade Zones Board on August 19, 1986 (Board Order 336, 51 FR 30684, August 28, 1986) and currently consists of three “Sites” totaling 1,235 acres in Coos Bay and North Bend, Oregon.

The current update does not alter the physical boundaries of the sites that have been approved, but instead involves an administrative renumbering of existing Site 3 to separate unrelated, non-contiguous parcels for record keeping purposes.

Under this revision, the site list for FTZ 132 will be as follows: Site 1 (284 acres)—marine terminal located at 90330 Transpacific Parkway, North Bend; Site 2 (520 acres)—Roseburg Lumber Company, 66425 Jordan Cove Road, North Bend; Site 3 (23 acres)—marine terminal located at California Avenue, North Bend; Site 4 (37.5 acres)—marine terminal located at 3050 Tremont Avenue, North Bend; Site 5 (13 acres)—marine terminal located at 1210 Front Street, Coos Bay; Site 6 (97 acres)—Georgia Pacific Industrial Park, 93783 Newport Lane, Coos Bay; and, Site 7 (260 acres)—Southwest Oregon Regional Airport, 1451 Airport Lane, North Bend (formerly the North Bend Municipal Airport).

For further information, contact Christopher Kemp at Christopher.Kemp@trade.gov or (202) 482–0862.

Elizabeth Whiteman,
Acting Executive Secretary.

BILING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

Low Melt Polyester Staple Fiber From the Republic of Korea and Taiwan: Initiation of Less-Than-Fair-Value Investigations

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

DATES: July 17, 2017.

FOR FURTHER INFORMATION CONTACT:
David Crespo at (202) 482–3693 (the Republic of Korea) or Elizabeth Eastwood at (202) 482–3874 (Taiwan).


SUPPLEMENTARY INFORMATION:

The Petitions

On June 27, 2017, the Department of Commerce (the Department) received antidumping duty (AD) Petitions concerning imports of low melt polyester staple fiber (low melt PSF) from the Republic of Korea (Korea) and Taiwan, filed in proper form on behalf of Nan Ya Plastics Corporation, America (the petitioner). The petitioner is a domestic producer of low melt PSF. On June 30, 2017, the Department requested additional information and clarification of certain areas of the Petitions. The petitioner filed responses to these requests on July 6, 2017, and revised scope language on July 7, 2017.

In accordance with section 732(b) of the Tariff Act of 1930, as amended (the Act), the petitioner alleges that imports of low melt PSF from Korea and Taiwan are being, or are likely to be, sold in the United States at less than fair value within the meaning of section 731 of the Act, and that such imports are materially injuring, or threatening material injury to, the domestic industry producing low melt PSF in the United States. Also, consistent with section 732(b)(1) of the Act, the Petitions are accompanied by information reasonably available to the petitioner supporting its allegations.

The Department finds that the petitioner filed these Petitions on behalf of the domestic industry, because the petitioner is an interested party as defined in section 771(9)(C) of the Act. The Department also finds that the petitioner demonstrated sufficient industry support with respect to the initiation of the AD investigations that the petitioner is requesting.

Period of Investigation

Because the Petitions were filed on June 27, 2017, the period of investigation (POI) for both investigations is April 1, 2016, through March 31, 2017, pursuant to 19 CFR 351.204(b)(1).

Scope of the Investigations

The product covered by these investigations is low melt PSF from Korea and Taiwan. For a full description of the scope of these investigations, see the “Scope of the Investigations,” in the Appendix to this notice.

Comments on Scope of the Investigations

During our review of the Petitions, the Department issued a questionnaire to, and received a response from, the petitioner pertaining to the proposed scope to ensure that the scope language in the Petitions would be an accurate reflection of the products for which the domestic industry is seeking relief.

As part of this review, we determined that the scope language of these Petitions overlaps in certain respects with the scope language of the recently-initiated less-than-fair-value (LTFV) investigations of fine denier polyester staple fiber (fine denier PSF) from Korea and Taiwan and the existing AD orders on polyester staple fiber (PSF) from Korea and Taiwan. Specifically, the scope of these Petitions covers all bi-component polyester fiber, where one component melts at a lower temperature than the other component; the scope, as currently written, does not limit the two fiber components to any specific configuration. Further, the scopes of both the fine denier PSF LTFV investigations and the existing PSF AD
orders include certain low melt PSF products and exclude others (i.e., they only exclude low melt PSF in “sheath-and-core” configurations). As a result, low melt PSF in other configurations (such as “side-by-side”) is currently covered by the scopes of these investigations, as well as the on-going LTFV investigations on fine denier PSF from Korea and Taiwan, and the existing AD orders on PSF from Korea and Taiwan.

Where the Department has faced the possibility of administering two proceedings covering identical merchandise, we have chosen to craft the scope of the subsequent proceedings to eliminate the potential overlap. Although we have provisionally accepted the scope as defined by the petitioner for purposes of initiation, we are currently evaluating how to address the overlap in product coverage, noted above. If this question is not resolved prior to the preliminary determinations of these proceedings, we intend to include provisionally the following language in the scope:

Excluded from the scope of the investigations on low melt PSF from Korea and Taiwan are any products covered by the existing antidumping duty investigations on fine denier PSF from Korea and Taiwan and the existing antidumping duty orders on certain polyester staple fiber from Korea and Taiwan. See [fine denier PSF preliminary determination], see also Notice of Amended Final Determination of Sales at Less Than Fair Value: Certain Polyester Staple Fiber from the Republic of Korea and Antidumping Duty Orders: Certain Polyester Staple Fiber from the Republic of Korea and Taiwan, 65 FR 33807 (May 25, 2000).

We invite interested parties to comment on this issue within the deadlines set forth below.

As discussed in the preamble to the Department’s regulations, we are setting aside a period for interested parties to raise issues regarding product coverage (scope). The Department will consider all comments received from parties and, if necessary, will consult with parties prior to the issuance of the preliminary determinations. If scope comments include factual information, all such factual information should be limited to public information. In order to facilitate preparation of its questionnaires, the Department requests all interested parties to submit such comments by 5:00 p.m. Eastern Time (ET) on Monday, August 7, 2017, which is the next business day after 20 calendar days from the signature date of this notice. Any rebuttal comments, which may include factual information, must be filed by 5:00 p.m. ET on Thursday, August 17, 2017, which is 10 calendar days from the deadline for initial comments.11

The Department requests that any factual information the parties consider relevant to the scope of the investigations be submitted during this time period. However, if a party subsequently finds that additional factual information pertaining to the scope of the investigations may be relevant, the party may contact the Department and request permission to submit the additional information. All such comments must be filed on the records of both of the concurrent AD investigations.

Filing Requirements

All submissions to the Department must be filed electronically using Enforcement and Compliance’s Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). An electronically-filed document must be received successfully in its entirety by the time and date when it is due. Documents excepted from the electronic submission requirements must be filed manually (i.e., in paper form) with Enforcement and Compliance’s APO/Dockets Unit, Room 19022, U.S. Department of Commerce, 1401 Constitution Avenue NW., Washington, DC 20230, and stamped with the date and time of receipt by the applicable deadlines.

Comments on Product Characteristics for AD Questionnaires

The Department will provide interested parties an opportunity to comment on the appropriate physical characteristics of low melt PSF to be reported in response to the Department’s AD questionnaires. This information will be used to identify the key physical characteristics of the merchandise under consideration in order to report the relevant costs of production accurately, as well as to develop appropriate product-comparison criteria. Interested parties may provide any information or comments that they feel are relevant to the development of an accurate list of physical characteristics. Specifically, they may provide comments as to which characteristics are appropriate to use as: (1) General product characteristics; and (2) product-comparison criteria. We note that it is not always appropriate to use all product characteristics as product-comparison criteria. We base product-comparison criteria on meaningful commercial differences among products. In other words, although there may be some physical product characteristics used by manufacturers to describe low melt PSF, it may be that only a select few product characteristics take into account commercially-meaningful physical characteristics. In addition, interested parties may comment on the order in which the physical characteristics should be used in matching products. Generally, the Department attempts to list the most important physical characteristics first and the least important characteristics last.

In order to consider the suggestions of interested parties in developing and issuing the AD questionnaires, all product characteristics comments must be filed by 5:00 p.m. ET on July 31, 2017. Any rebuttal comments must be filed by 5:00 p.m. ET on August 7, 2017. All comments and submissions to the Department must be filed electronically using ACCESS, as explained above, on the records of both the Taiwan and Korea less-than-fair-value investigations.

Determination of Industry Support for the Petitions

Section 732(b)(1) of the Act requires that a petition be filed on behalf of the domestic industry. Section 732(c)(4)(A) of the Act provides that a petition meets this requirement if the domestic producers or workers who support the petition account for: (i) At least 25 percent of the total production of the domestic like product; and (ii) more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the petition. Moreover, section 732(c)(4)(D) of the Act provides that, if the petition does not establish support of domestic producers or workers accounting for more than 50 percent of the total production of the domestic like product, the Department shall: (i) Poll the industry or rely on other information in

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11 See 19 CFR 351.303(b).
12 See Antidumping and Countervailing Duty Proceedings: Electronic Filing Procedures; Administrative Protective Order Procedures, 76 FR 39263 (July 6, 2011); see also Enforcement and Compliance: Change of Electronic Filing System Name, 79 FR 69046 (November 20, 2014) for details of the Department’s electronic filing requirements, which went into effect on August 5, 2011. Information on how to file electronically using ACCESS can be found at https://access.trade.gov/help.aspx and a handbook can be found at https://access.trade.gov/help/H...
order to determine if there is support for the petition, as required by subparagraph (A); or (ii) determine industry support using a statistically valid sampling method to poll the “industry.”

Section 771(4)(A) of the Act defines the “industry” as the producers as a whole of a domestic like product. Thus, to determine whether a petition has the requisite industry support, the statute directs the Department to look to producers and workers who produce the domestic like product. The International Trade Commission (ITC), which is responsible for determining whether “the domestic industry” has been injured, must also determine what constitutes a domestic like product in order to define the industry. While both the Department and the ITC must apply the same statutory definition regarding the domestic like product, they do so for different purposes and pursuant to a separate and distinct authority. In addition, the Department’s determination is subject to limitations of time and information. Although this may result in different definitions of the like product, such differences do not render the decision of either agency contrary to law.14

Section 771(10) of the Act defines the domestic like product as “a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this title.” Thus, the reference point from which the domestic like product analysis begins is “the article subject to an investigation” (i.e., the class or kind of merchandise to be investigated, which normally will be the subject as defined in the Petitions).

With regard to the domestic like product, the petitioner does not offer a definition of the domestic like product distinct from the scope of the investigations. Based on our analysis of the information submitted on the record, we have determined that low melt PSF, as defined in the scope, constitutes a single domestic like product and we have analyzed industry support in terms of that domestic like product.15

In determining whether the petitioner has standing under section 732(c)(4)(A) of the Act, we considered the industry support data contained in the Petitions with reference to the domestic like product as defined in the “Scope of the Investigations,” in the Appendix to this notice. To establish industry support, the petitioner provided its own production of the domestic like product in 2016.16 In addition, the petitioner provided a letter of support from Fiber Innovation Technology, stating that the company supports the Petitions and providing its own production of the domestic like product in 2016.17 The petitioner identifies itself and Fiber Innovation Technology as the companies constituting the U.S. low melt PSF industry and states that there are no other known producers of low melt PSF in the United States; therefore, the Petitions are supported by 100 percent of the U.S. industry.18

Our review of the data provided in the Petitions, the General Issues Supplemental Response, and other information available to the Department indicates that the petitioner has established industry support for the Petitions.19 First, the Petitions established support from domestic producers (or workers) accounting for more than 50 percent of the total production of the domestic like product and, as such, the Department is not required to take further action in order to evaluate industry support (e.g., polling).20 Second, the domestic producers (or workers) have met the statutory criteria for industry support under section 732(c)(4)(A)(I) of the Act because the domestic producers (or workers) who support the Petitions account for at least 25 percent of the total production of the domestic like product.21 Finally, the domestic producers (or workers) have met the statutory criteria for industry support under section 732(c)(4)(A)(ii) of the Act because the domestic producers (or workers) who support the Petitions account for more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the Petitions.22 Accordingly, the Department determines that the Petitions were filed on behalf of the domestic industry within the meaning of section 732(b)(1) of the Act.

The Department finds that the petitioner filed the Petitions on behalf of the domestic industry because it is an interested party as defined in section 771(9)(C) of the Act and it has demonstrated sufficient industry support with respect to the AD investigations that it is requesting that the Department initiate.23

Allegations and Evidence of Material Injury and Causation

The petitioner alleges that the U.S. industry producing the domestic like product is being materially injured, or is threatened with material injury, by reason of the imports of the subject merchandise sold at less than normal value (NV). In addition, the petitioner alleges that subject imports exceed the negligibility threshold provided for under section 771(24)(A) of the Act.24 The petitioner contends that the industry’s injured condition is illustrated by reduced market share; underselling and price suppression or depression; lost sales and revenues; declines in production, capacity utilization, and U.S. shipments; and declines in financial performance.25 We have assessed the allegations and supporting evidence regarding material injury, threat of material injury, and causation, and we have determined that these allegations are properly supported by adequate evidence, and meet the statutory requirements for initiation.26

Allegations of Sales at Less Than Fair Value

The following is a description of the allegations of sales at LTFV upon which the Department based its decision to initiate AD investigations of imports of low melt PSF from Korea and Taiwan. The sources of data for the deductions and adjustments relating to U.S. price and NV are discussed in greater detail in the country-specific initiation checklists.
Export Price

For Korea and Taiwan, the petitioner based the U.S. price on export price (EP) using: (1) Average unit values of publicly available import data;27 and (2) price quotes for sales of low melt PSF produced in, and exported from, the subject country and offered for sale in the United States.28 Where applicable, the petitioner made deductions from U.S. price for movement expenses, consistent with the terms of sale.29

Normal Value

For Korea and Taiwan, the petitioner provided home market price information for low melt PSF produced in, and offered for sale in, both of these countries that was obtained through market research.30 For both of these countries, the petitioner provided a declaration from a market researcher to support the price information.31 Where applicable, the petitioner made deductions for movement expenses and credit expenses, consistent with the terms of sale.32

The petitioner also provided information that sales of low melt PSF in both Korea and Taiwan were made at prices below the cost of production (COP). Therefore, the petitioner calculated NV based on home market prices and constructed value (CV).33 For further discussion of COP and NV based on CV, see the section “Normal Value Based on Constructed Value,” below.34

Normal Value Based on Constructed Value

Pursuant to section 773(b)(3) of the Act, COP consists of the cost of manufacturing (COM), selling, general, and administrative (SG&A) expenses, financial expenses, and packing expenses. For Korea and Taiwan, the petitioner calculated the COM based on the input factors of production from a U.S. producer of low melt PSF, adjusted for known differences between the U.S. low melt PSF industry and those of Korea and Taiwan during the POI. The input factors of production were valued using publicly available data on costs specific to Korea and Taiwan.35

The petitioner determined the usage of raw material inputs based on the average usage rates incurred by the U.S. producer. The prices for raw material inputs were based on Korean and Taiwan import and export data from publicly available data. Labor and energy rates were derived from publicly available sources multiplied by the product-specific usage rates. The petitioner calculated a factory overhead, SG&A, financial expenses, and packing rates based on the experience of Korean and Taiwan producers of comparable merchandise.36

Because certain home market prices fell below the COP for both countries, pursuant to sections 773(a)(4), 773(b), and 773(e) of the Act, as noted above, the petitioner calculated NV based on CV.37 Pursuant to section 773(e) of the Act, CV consists of the COM, SG&A, financial expenses, packing expenses, and profit. The petitioner calculated CV using the same average COM, SG&A, financial expenses, and packing expenses to calculate the COP.38 The petitioner relied on the financial statements of the same producer that it used for calculating manufacturing overhead, SG&A, and financial expenses to calculate the profit rate.39

Fair Value Comparisons

Based on the data provided by the petitioner, there is reason to believe that imports of low melt PSF from Korea and Taiwan are being, or are likely to be, sold in the United States at less than fair value. In accordance with section 733(b)(1)(A) of the Act and 19 CFR 351.205(b)(1), unless postponed, we will make our preliminary determinations no later than 140 days after the date of this initiation.

Under the Trade Preferences Extension Act of 2015, numerous amendments to the AD and countervailing duty (CVD) law were made.40 The 2015 law does not specify dates of application for those amendments. On August 6, 2015, the Department published an interpretative rule, in which it announced the applicability dates for each amendment to the Act, except for amendments contained in section 771(7) of the Act, which relate to determinations of material injury by the ITC.41 The amendments to sections 771(15), 773, 776, and 782 of the Act are applicable to all determinations made on or after August 6, 2015, and, therefore, apply to these AD investigations.42

Respondent Selection

The petitioner named six companies in Korea,43 and two companies in Taiwan,44 as producers/exporters of low melt denier PSF. Following standard practice in AD investigations involving market economy countries, in the event the Department determines that the number of companies in Korea or Taiwan is large, the Department intends to review U.S. Customs and Border Protection (CBP) data for U.S. imports of low melt PSF during the POI under the appropriate Harmonized Tariff Schedule of the United States subheading listed within the scope in the Appendix, below, and if it determines that it cannot individually examine each company based upon the Department’s resources, then the Department will select respondents based on those data. We also intend to release the CBP data under Administrative Protective Order (APO) to all parties with access to information protected by APO within five business days of the announcement of the initiation of these investigations. Interested parties must submit applications for disclosure under APO in accordance with 19 CFR 351.305(b). Instructions for filing such applications may be found on the Department’s Web

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27 See Korea AD Initiation Checklist and Taiwan AD Initiation Checklist.
28 Id.
29 Id.
31 Id.
32 See Korea AD Initiation Checklist and Taiwan AD Initiation Checklist.
33 Id.
34 In accordance with section 505(a) of the Trade Preferences Extension Act of 2015, amending section 773(b)(2) of the Act, for both investigations, the Department will request information necessary to calculate the CV and COP to determine whether there are reasonable grounds to believe or suspect that sales of the foreign like product have been made at prices that represent less than the COP of the product. The Department no longer requires a COP allegation to conduct this analysis.
35 See Taiwan AD Initiation Checklist and Korea AD Initiation Checklist.
36 Id.
37 Id.
38 Id.
39 Id.
40 See Korea AD Initiation Checklist.
41 See Taiwan AD Initiation Checklist.
45 See Volume I of the Petitions at Exhibit I–4.
46 Id.
site at http://enforcement.trade.gov/apo. Interested parties may submit comments regarding the CBP data and respondent selection by 5:00 p.m. ET seven calendar days after the placement of the CBP data on the record of that investigation. Interested parties wishing to submit rebuttal comments should submit those comments five calendar days after the deadline for initial comments.

Comments for the above-referenced investigations must be filed electronically using ACCESS. An electronically-filed document must be received successfully, in its entirety, by ACCESS no later than 5:00 p.m. ET by the dates noted above. We intend to make our decision regarding respondent selection in the Korea and Taiwan investigations within 20 days of publication of this notice.

Distribution of Copies of the Petitions

In accordance with section 732(b)(3)(A) of the Act and 19 CFR 351.202(f), copies of the public version of the Petitions have been provided to the governments of Korea and Taiwan via ACCESS. To the extent practicable, we will attempt to provide a copy of the public version of the Petitions to each exporter named in the Petitions, as provided under 19 CFR 351.203(c)(2).

ITC Notification

We will notify the ITC of our initiation, as required by section 732(d) of the Act.

Preliminary Determinations by the ITC

The ITC will preliminarily determine, within 45 days after the date on which the Petitions were filed, whether there is a reasonable indication that imports of low melt PSF from the Korea and/or Taiwan are materially injuring or threatening material injury to a U.S. industry. A negative ITC determination for either country will result in the investigation being terminated with respect to that country. Otherwise, these investigations will proceed according to statutory and regulatory time limits.

Submission of Factual Information

Factual information is defined in 19 CFR 351.102(b)(21) as: (i) Evidence submitted in response to questionnaires; (ii) evidence submitted in support of allegations; (iii) publicly available information to value factors under 19 CFR 351.408(c) or to measure the adequacy of remuneration under 19 CFR 351.511(a)(2); (iv) evidence placed on the record by the Department; and (v) evidence other than factual information described in (i)-(iv). 19 CFR 351.301(b) requires any party, when submitting factual information, to specify under which subsection of 19 CFR 351.102(b)(21) the information is being submitted and, if the information is submitted to rebut, clarify, or correct factual information already on the record, to provide an explanation identifying the information already on the record that the factual information seeks to rebut, clarify, or correct. Time limits for the submission of factual information are addressed in 19 CFR 351.301, which provides specific time limits based on the type of factual information being submitted. Interested parties should review the regulations prior to submitting factual information in these investigations.

Extensions of Time Limits

Parties may request an extension of time limits before the expiration of a time limit established under 19 CFR 351.301, or as otherwise specified by the Secretary. In general, an extension request will be considered untimely if it is filed after the expiration of the time limit established under 19 CFR 351.301. For submissions that are due from multiple parties simultaneously, an extension request will be considered untimely if it is filed after 10:00 a.m. ET on the due date. Under certain circumstances, we may elect to specify a different time limit by which extension requests will be considered untimely for submissions which are due from multiple parties simultaneously. In such a case, we will inform parties in the letter or memorandum setting forth the time limits. Parties wishing to participate in these investigations should ensure that they meet the requirements of these procedures (e.g., the filing of letters of appearance as discussed in 19 CFR 351.103(d)).

This notice is issued and published pursuant to sections 732(c)(2) and 777(i) of the Act, and 19 CFR 351.203(c).

Dated: July 17, 2017.

Gary Tavenor,
Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, performing the non-exclusive functions and duties of the Assistant Secretary for Enforcement and Compliance.

Appendix

Scope of the Investigations

The merchandise subject to these investigations is synthetic staple fibers, not carded or combed, specifically bi-component polyester fibers having a polyester fiber component that melts at a lower temperature than the other polyester fiber component (low melt PSF). The scope includes bi-component polyester staple fibers of any denier or cut length. The subject merchandise may be coated, usually with a finish or dye, or not coated.

Low melt PSF is classifiable under the Harmonized Tariff Schedule of the United States (HTSUS) subheading 5503.20.0015. Although the HTSUS subheading is provided for convenience and customs purposes, the written description of the scope of the merchandise under the investigations is dispositive.

Footnotes

47 See 19 CFR 351.301(b).
48 See 19 CFR 351.301(b)(2).
49 See section 782(b) of the Act.
50 See Certification of Factual Information to Import Administration during Antidumping and Countervailing Duty Proceedings, 78 FR 42678 (July 17, 2013) (Final Rule); see also frequently asked questions regarding the Final Rule, available at http://enforcement.trade.gov/tl/el/notice/factual_info_final_rule_FAQ_07172013.pdf.